# Eli's Hospice Insider

## ICD-9: Code More Than Just Primary Diagnosis, Or You'll Be Sorry

**The codes you put on your claims will help shape hospice payment reform, CMS warns.**

If you're in the majority of hospices that put only the primary diagnosis on your hospice patients' Medicare claims, you'd better change your ways.

So warns the **Centers for Medicare & Medicaid Services** in its 2013 hospice wage index notice released July 24. "Hospice claims which only report a principal diagnosis are not providing an accurate description of the patients' conditions," CMS chastises in the notice scheduled for publication in the July 27 Federal Register. "Providers should code and report coexisting or additional diagnoses to more fully describe the Medicare patients they are treating."

The ICD-9-cm Official Guidelines for Coding and Reporting require reporting of all additional or coexisting diagnoses, CMS points out. "HIPAA, federal regulations, and the Medicare hospice claims processing manual all require that these ICD-9-CM Coding Guidelines be applied to the coding and reporting of diagnoses on hospice claims," the agency says in the notice.

Those regulations requiring full coding include the hospice conditions of participation (COPs), points out coding expert **Lisa Selman-Holman** with **Selman-Holman & Associates** and **CoDR -- Coding Done Right** in Denton, Texas.

Hospices "should have been doing this already," emphasizes consultant **Lynda Laff** with **Laff & Associates** in Hilton Head Island, S.C.

But according to claims data analysis from CMS hospice contractor **Abt Associates**, a whopping 77 percent of hospice claims from 2010 include only a principal diagnosis. "Hospice patients are at the end-of-life; most are elderly and likely have multiple co-morbidities," CMS observes. "All of a patient's coexisting or additional diagnoses should be reported on the hospice claims... Doing so will bring hospices into compliance with existing, longstanding policy."

The Medicare program needs this data to help shape payment reform, CMS says in the notice. "We are considering multiple approaches to reform, including case-mix adjustment," the agency reveals. "To adequately account for any clinical complexities a given patient might have as a result of related co-morbidities, those co-morbidities must be included on the Medicare hospice claim." CMS is having a hard time figuring out whether or how a case mix system would work for hospice, given the absence of the diagnosis coding data, it says.

**Warning:** "If CMS wants diagnosis information to develop a case mix system, hospice coders need to be diligent in coding correctly or the hospice industry will regret any sloppiness in the years to come," Selman-Holman cautions.

**Tip:** You don't have to list every single coexisting diagnosis a patient has, CMS reassures in the notice. You must include only coexisting diagnoses related to the terminal illness, the agency instructs.

**Coding Requirement No Extra Burden, CMS Claims**

Thanks to the existing requirements under the hospice COPs, for many hospices complying with this rule will necessitate only a claims reporting change -- not a change in clinical practice, believes **Judi Lund Person** with the **National Hospice & Palliative Care Organization**. Hospices are already including information on comorbidities in the record, since they impact the plan of care.

Hospices affiliated with home health agencies are likely to have an easier time adjusting to this requirement, since they may share with the HHA coders who are used to reporting secondary diagnoses for home health patients, believes **Judy Adams** with **Adams Home Care Consulting** in Chapel Hill, N.C.

Coding guidelines are the same for home health and hospice, Selman-Holman points out.

But whether complying with this requirement will create no burden for hospices, as CMS claims in the notice, is unclear.

Hospices that already include the comorbidity information in the record but not on claims will have to make some adjustments, Selman-Holman tells **Eli**. "Any new requirement requires new processes," she observes.

And coding more completely requires more coding knowledge, Adams concedes. "For some hospices that are not part of a home health program, it will mean learning coding as a new skill set."

**Use Additional Diagnoses To Bolster Documentation**

**Bonus:** Including comorbidity information on claims will give a boost to coverage. "The additional diagnoses help to explain and support the patient's hospice status," Adams cheers.

This will be especially helpful with some widely used "weak" diagnoses that CMS and other reviewers have been targeting, Laff suggests (see related item, p. 71).

**For example:** Alzheimer's, dementia, failure to thrive and debility all have been targets of review and have topped the list of diagnoses on denied hospice claims in recent months.

**Trouble ahead:** Hospice coders are bound to run into some snags as they try to fully comply with both ICD-9 coding guidelines and Medicare coverage policies, Selman-Holman warns. Local Coverage Decisions (LCDs) on non-cancer diagnoses can be particularly problematic. "If a coder follows those LCDs, they are many times violating the coding guidelines," she says.